GOVERNMENT OF INDIA
URBAN DEVELOPMENT AND POVERTY ALLEVATION
LOK SABHA

STARRED QUESTION NO:203
ANSWERED ON:04.12.2001
IMPLEMENTATION OF PATNA PROPERTY TAX SCHEME
MOHAMMED SHAHABUDDIN;RAM PRASAD SINGH

Will the Minister of URBAN DEVELOPMENT AND POVERTY ALLEVATION be pleased to state:

(a) whether in UN State of the World Cities Report2001 submitted to the UN General Assembly any tax scheme relating toproperty being implemented in Patna has been lauded by the UN;

(b) if so, the details thereof;

(c) whether it is a fact that some State Governments have also implemented Patna Property Tax Scheme in their States;

(d) if so, the details thereof;

(e) whether the Union Government have made any studies ofthe Patna Property Tax Scheme in order to invite attention of other State Governments for its implementation; and

(f) if so, the details thereof?

Answer

MINISTER OF URBAN DEVELOPMENT & POVERTY ALLEVIATION (SHRI ANANTH KUMAR)

(a)to(f): A Statement is laid on the Table of the Sabha.

REPLY TO LOK SABHA STARRED QUESTION NO.203 FOR 4.12.2001 REGARDING IMPLEMENTATION OF PATNA PROPER TAX SCHEME.

(a)&(b): `Area-based Assessment of Property Tax-Patna, India` has been published as one of the best practices in the publication `The State of the World`s Cities, 2001`,published by the United Nations Centre for Human Settlements(Habitat). Inthis article, the initiatives taken by the Patna Municipal Corporationfor simplifying assessment of property tax by adopting Area-based method has been discussed. The Patna model of property tax is based on classification of location, construction and use of the property.

(c)to(f): The Ministry of Urban Development & Poverty Alleviation have issued Guidelines to State Governments and Union Territories for bringing about needed property tax reforms. These guidelines inter-alia deal with Area-based Property Tax Model. Under this method, tax on built-up property (both residential and non-residential) is linked to the factors like
(i) location of holding;
(ii) use of holding;
(iii) type of construction;
(iv) carpet area of the building. Following these guidelines, Property Tax Reforms are in the process of implementation by a number of States like Bihar, Madhya Pradesh, Gujarat, Tamil Nadu, Uttar Pradesh and Karnataka.